

September 12, 2006

Ms. Patricia Van Gerpen, Executive Director S. D. Public Utilities Commission 500 East Capitol Avenue Pierre, SD 57501

600 Market Street W. Huron, SD 57350-1500

Toll Free: 800-245-6977 Facsimile: 605-353-7519

www.northwesternenergy.com

Re:

NorthWestern Corporation Proposed Contract With Deviation

PUC Docket NG06-

Dear Ms. Van Gerpen:

With this letter, NorthWestern Corporation ("NorthWestern" or the "Company"), doing business as NorthWestern Energy, is filing with the Commission a proposed natural gas contract with deviation. Pursuant to ARSD 20:10:13:39, the Company states:

- (1) The documents submitted with this filing include:
 - An original and one copy of the Application for Tariff Change and Report in Support of Tariff Filing of NorthWestern (the "Report"), pursuant to ARSD 20:10:13:26;
 - The proposed revised tariff schedule, Section 4, Sheet 1. 11th Revised
 - A map of the proposed route
 - Schedules detailing the cost of the project
 - A copy of the contract between NorthWestern and the Customer.
 - A copy of the determination of the Contribution Amount from the Customer.
- (2) The proposed effective date for the new tariff is October 20, 2006.
- (3) The names and addresses of those to whom copies of the rate schedule have been mailed:

Mr. Sam Glanzer Fordham Colony RR 1 Box 28 Carpenter, SD 57322 (4) Brief description of the proposed changes in rates:

NorthWestern currently serves the Fordham Colony with natural gas service. NorthWestern is proposing the Contract With Deviation to construct a gas pipeline to serve Fordham Colony's new hog barns, which are to be constructed approximately 1½ miles from the Colony. The customer is in the process of building the new hog barns and desires natural gas service as the fuel source for their equipment. NorthWestern will install 8,100 feet of 3- inch gas pipeline to meet the requirements of the customer's new equipment.

The estimate of the project cost is \$36,690. A payment of \$24,678 will be due from the customer within 14 days after the Project Completion Date. NorthWestern plans to begin work on this project on October 23rd. The company estimates annual use of 35,000 therms from this project. The company applied a project credit of \$12,012 based on this estimated annual use.

(5) Reasons for the proposed changes:

The reason for the proposed change is the customers need for natural gas service at a new location.

(6) Number of customers whose cost of service will be affected and annual changes in cost of service to such customers.

Fordham Colony will be the only customer impacted by this filing.

Sincerely yours,

Jeff J. Decke

Jeff Decker Rates Analyst

EXHIBIT A

REQUEST FOR CONFIDENTIAL TREATMENT

COMES NOW, NorthWestern Corporation, doing business as NorthWestern Energy

("NorthWestern" or the "Company"), and pursuant to ARSD 20:10:01:41, requests confidential treatment
as follows:

- The documents for which confidential treatment is requested are the Natural Gas Service Agreement between NorthWestern and Commercial Asphalt (the "Customer"), dated September 5, 2006 (the "Contract"), and the Workpapers containing the Company's anticipated costs to construct facilities to the Customer's facilities;
- The Company requests that such confidential treatment be afforded the Contract and Workpapers indefinitely, or a minimum, of ten years
- 3) The name, address and phone number of the persons to be contacted regarding the confidentiality request are:

Jeffrey Decker Regulatory Analyst NorthWestern Energy 600 Market Street West Huron, SD 57350 (605) 353-8315

Pamela Bonrud Director Regulatory Affairs NorthWestern Energy 125 S. Dakota Avenue Sioux Falls, SD 57103 (605) 978-2990

- 4) The grounds for confidentiality are that the Contract and Workpapers provide proprietary information concerning both the Company and the Customer, including the pricing of natural gas service, the costs of construction for the facilities to serve the Customer, etc. Sharing this information to third parties may provide competitive advantages to the competitors for both NorthWestern and the Customer.
- 5) As a factual basis in support of this request, please see the response to item 4) above.

SOUTH DAKOTA GAS RATE SCHEDULE

NORTHWESTERN CORPORATION d/b/a NORTHWESTERN ENERGY Section No. 4 Sheet No. 1 11th Revised **HURON** Canceling 10th Revised Sheet No. 1 SOUTH DAKOTA Contracts With Deviations Dakota Ethanol – Lake Area Corn Processors PECEIVED **SDSU** 2. SEP 1 3 2006 Northern Lights Ethanol Plant SOUTH DAKOTA PUBLIC UTILITIES COMMISSION South Dakota Wheat Growers 4. Commercial Asphalt - Spencer (D) 5. Execution - 04/03/2006 (D) Expiration – Upon final payment 14 days after construction. (D)) (T) 5. Prairie Ethanol Plant – Loomis Execution -012/20/2005Expiration – 10 years, commencing with Plant Start-Up date. (N) 6. Fordham Colony - Carpenter Execution - 09/05/2006 (N)

Expiration – Upon final payment 14 days after construction.

Date Filed: September 12, 2006

Service on or after Effective Date: October 20, 2006

Jeffrey Decker

(N)

Issued By: Regulatory Department

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